ASX : OEL

MOVING TO DRILL ALASKA NORTH SLOPE

INVESTOR PRESENTATION

Matthew Allen, Managing Director and CEO

September 2016

OTTO ENERGY

Compelling Investment Opportunity

Targeting 650 Million Barrel Prospective Resource (100%) with first 2 wells

Proven Light Oil in Conventional Reservoirs

Recent 3D seismic has delineated trapping mechanisms, and legacy wells confirm the presence of light oil in conventional and unconventional reservoirs. Modern recovery techniques such as horizontal drilling and fracture stimulation will assist commercialisation.

Large Prospect Inventory

Large inventory of conventional exploration and appraisal drilling candidates confirmed on first ever 3D seismic in this area. The 3D data has been acquired acreage-wide. Latest and largest 3D seismic survey expected to materially enhance the prospect inventory beyond what has already been delineated.

Imminent Drill Campaign

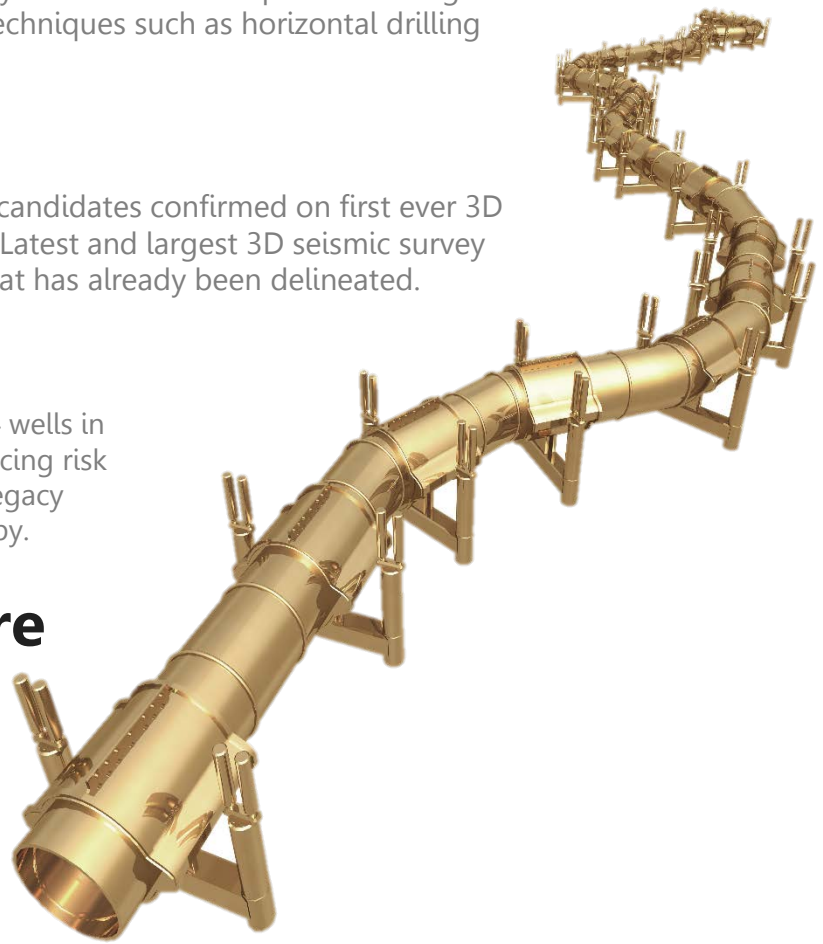
Preparing for Q1 2017 and 2018 multi-well campaign. Plan to drill 2-4 wells in 2017 with some wells containing up to 4 target intervals thereby reducing risk and increasing tested volume. Near-term drilling will be keyed off a legacy well which contained oil bearing sands in analogous discoveries nearby.

Low-risk Capped Cost Exposure

Otto exposure on first 3 wells limited to US$2.6M/well.

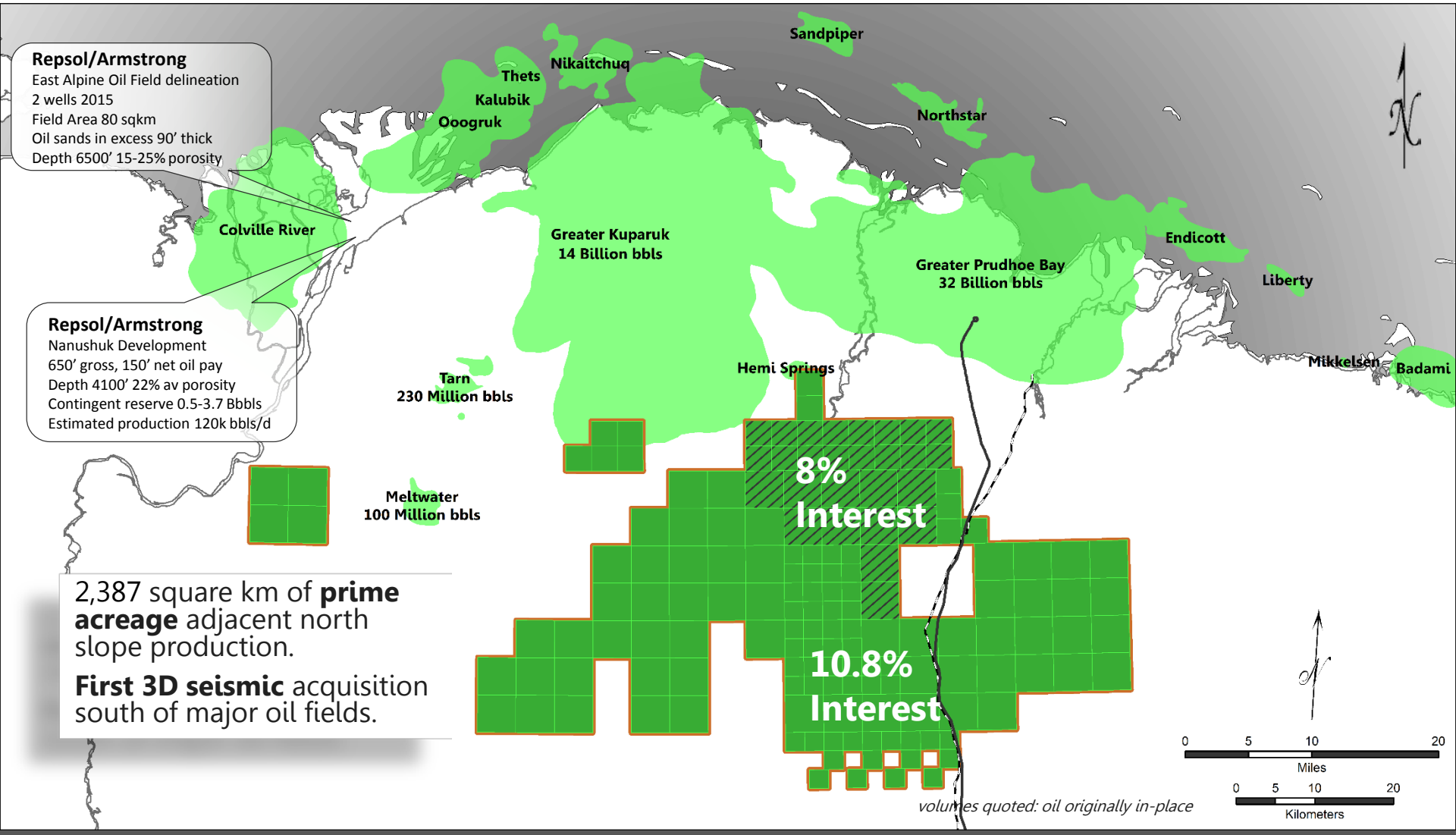
Infrastructure Access

Trans-Alaska Pipeline System (TAPS) runs directly through acreage as does the Dalton Highway.



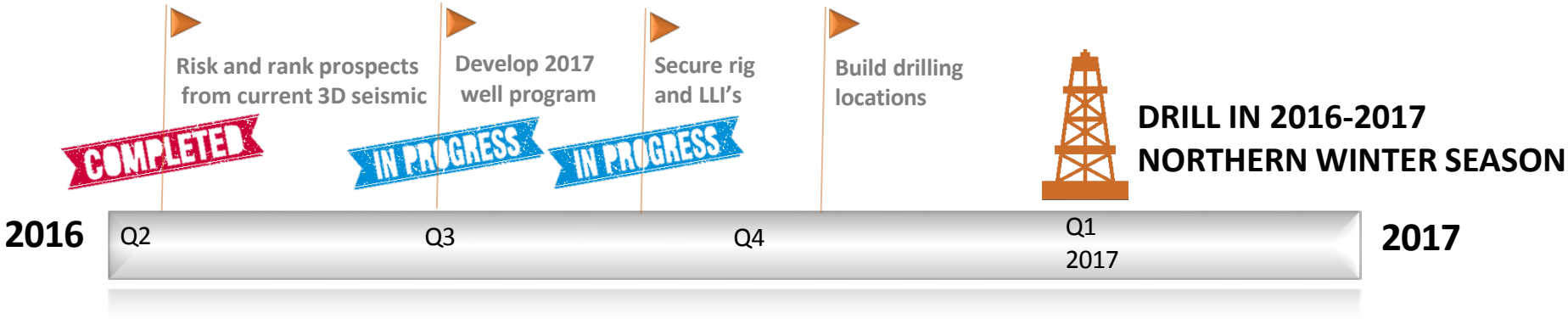
Otto's Position in Alaska

Adjacent Largest Oil Fields In North America



Progress Toward 2017 Drilling

Low-risk stacked prospects defined for drilling



- Focused strategy to drill 2-4 wells in conventional reservoirs in 2016-2017 season
- Operator working to secure long lead items and rig
- Obtain dedicated rig to drill primary wells and have option to test with a separate unit

Tier-1 Drilling Prospects

Stacked Exploration/Appraisal Opportunities

- 3D seismic used to develop entire prospect portfolio
- Targeting intervals proven as oil-bearing in 1988 well
- Vertically stacked prospects:
  Each well designed to test multiple plays
- Detailed well-planning underway

Tier-1 Prospects

Developed from extensive lead inventory

45 Leads Identified

- HC shows in legacy wells
- Reservoir presence in legacy wells
- Structural closures were present
- Seismic amplitude anomalies
- External morphologies
- Geological setting

30 Leads High-graded

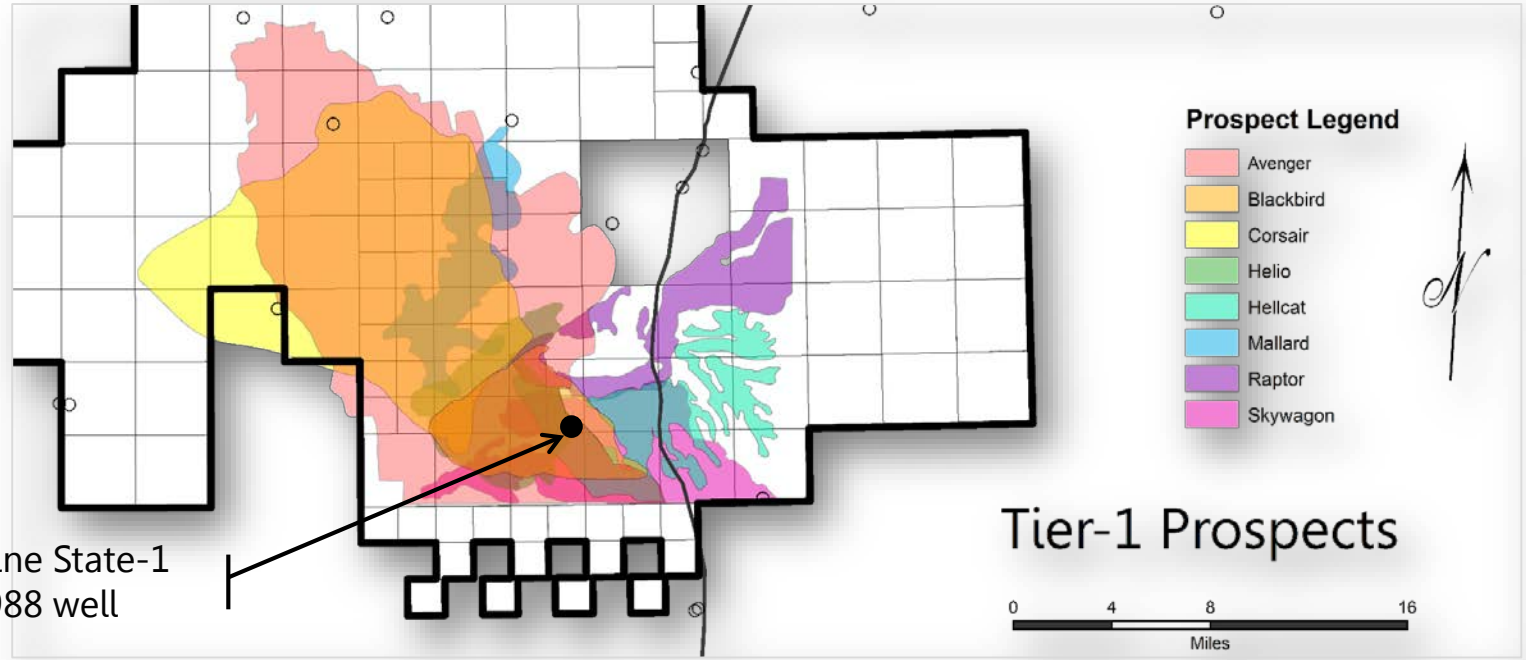
- Rank into 3 tiers based on:
  - Shows/Reservoir Presence
  - Geologic context
  - Volume potential
  - Risk interdependence
  - Maturity of concept

8 Tier-1 Prospects

- Mature Leads into Prospects:
  - Minimize risk and uncertainty
  - Integrate all available data

2-4 Drilling locations

- Highest probability of discovery
- Optimise logistical strategy
- Test maximum volumes at minimal cost
- Test multiple prospects with a single well bore



Pipeline State-1 Results

On-block legacy well de-risks the acreage

Pipeline State-1 was drilled as a stratigraphic test in February 1988 by Arco Alaska. The well reached a total vertical depth of 10,460 feet and encountered a number of oil-bearing intervals.

Several cores were taken from the well and showed promising results. However, technology at the time was insufficient to extract the discovered oil economically from these sands.

Pipeline State-1 was plugged and abandoned that same year.

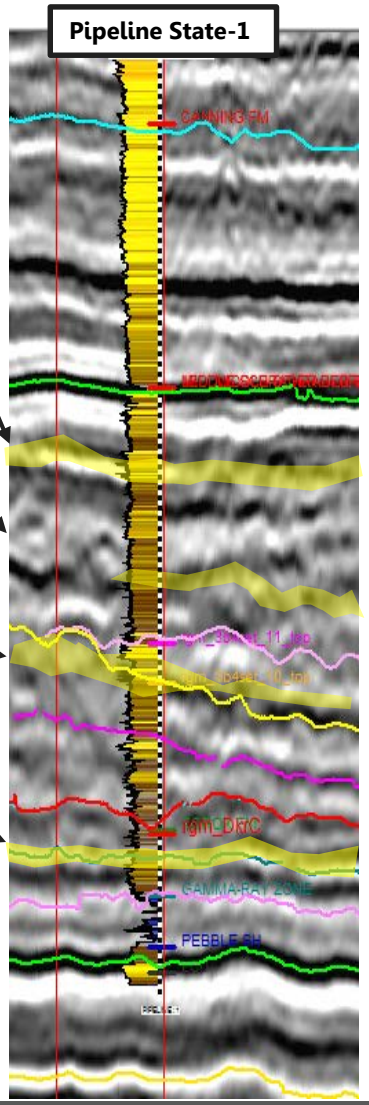
Extraction techniques now far surpass what was available in the 1980's. Recent advances, such as horizontal drilling and fracture stimulation, enable economic development of these types of reservoirs.

Blackbird Prospect level
Oil stained sands reported on mudlog, free oil observed in drilling mud, elevated gas readings

Skywagon Prospect level
Oil stained sands reported on mudlog, oil observed in drilling mud, elevated gas readings

Hellcat Prospect level
Oil stained sands reported on mudlog, free oil observed in drilling mud, elevated gas readings, log response consisted with oil filled sandstone reservoir

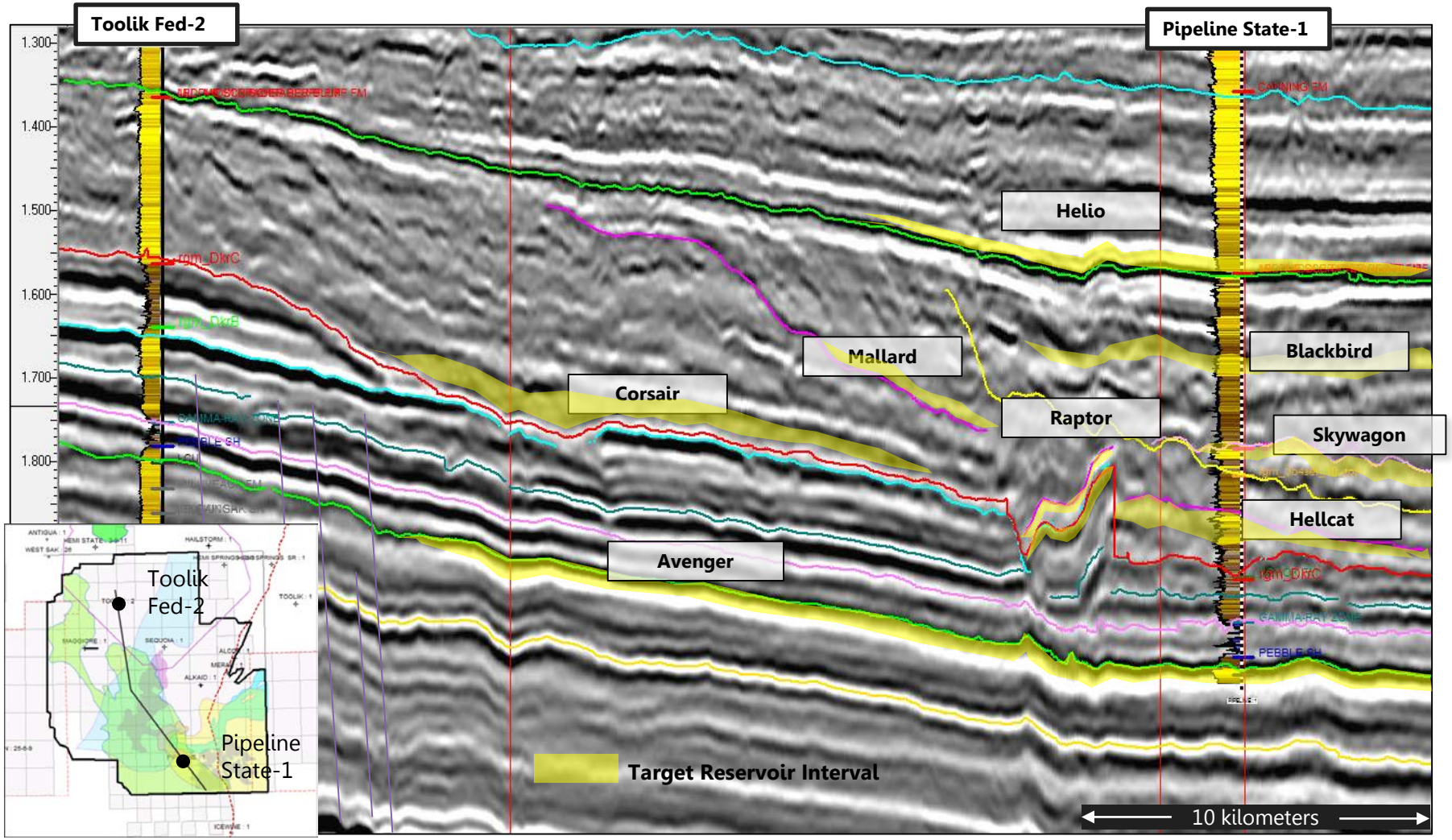
Avenger Prospect level
Oil shows in sands reported on mudlog, elevated gas readings, log response consistent with oil filled sandstone reservoir



Otto Energy aims to test and unlock the value of these resources.

Tier-1 Prospects in Relative Stratigraphic Position On 3D Seismic

Seismic line with target reservoir intervals highlighted



First Two Wells - Possible Configuration

Increase chance of success by intersecting multiple independent reservoirs with each wellbore

Well A

Helio — Stratigraphic pinch out of shallow water prograding sands

Blackbird — Free oil to surface in Pipeline State-1 Shelf slope fan

Skywagon — Deepwater slope apron fan. Strong oil shows in correlative sands at Pipeline State-1

Hellcat — Deepwater toe of slope fan. Strong oil shows in correlative sands at Pipeline State-1

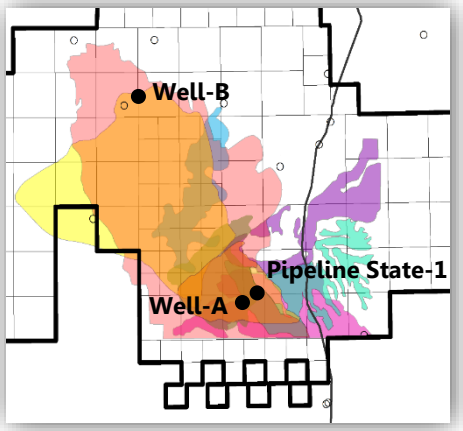
Appraise sands seen in Pipeline State-1 at Blackbird, Skywagon and Hellcat prospect levels and explore prospectivity at the Helio level

Well B

Corsair — Submarine fans complex within the Brookian

Avenger — Kuparak C strato-structural trap found oil bearing at Pipeline State-1

Appraise oil sands seen in Pipeline State-1 at Avenger Prospect sweet spot and explore prospectivity at the Corsair level



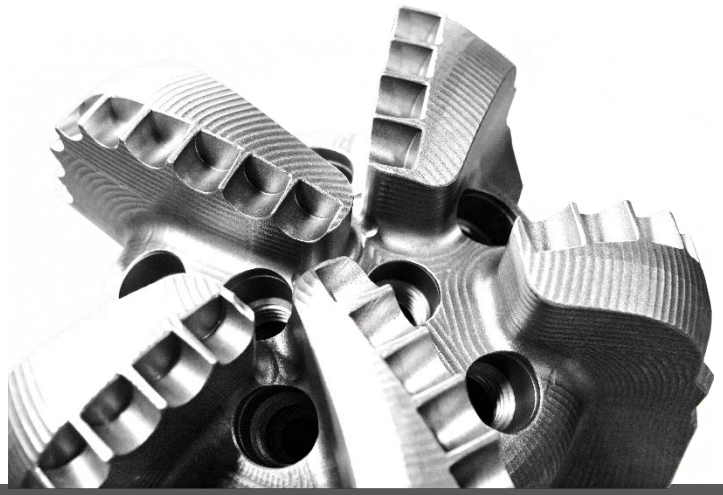
First Two Wells Targeting Large Conventional Plays

	Gross Prospective Resource				Net Prospective Resource	
Prospect	Low (MMbbls)	Best (MMbbls)	High (MMbbls)	Mean (MMbbls)	Mean Net WI (MMbbls)	POS*
Blackbird	6	20	62	28	3	24%
Helio	17	49	144	66	7	30%
Hellcat	13	47	172	72	8	40%
Skywagon	13	40	126	57	6	24%
Avenger	20	65	227	96	10	23%
Corsair	56	216	758	332	36	10%

WELL A

WELL B

Gross Mean Prospective Resource Being Tested: 650 MMbbls, High Case 1489 MMbbls†



Ready to test these opportunities

- Six independent play types
- Intersect multiple low risk intervals containing reservoir sands and oil shows/live oil in offset wells
- Test prospects with significant volumetric capacity

†*Deterministic Prospective Resource*

** Probability of Success estimate does not include reservoir effectiveness risk which can be addressed by horizontal drilling and fracture stimulation. The estimated quantities of petroleum that may potentially be recoverable by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.*

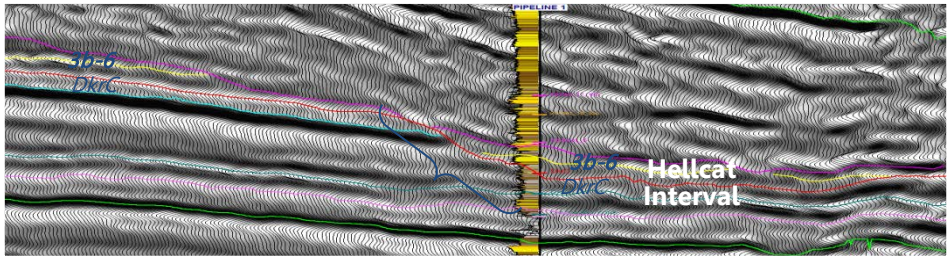
Tier-1 Prospect Highlights

Built on robust 3D data

- Driven by quality 3D data and known analogues
- Several seen oil-bearing in previous wells
- Diverse opportunity set maximizes chance of success

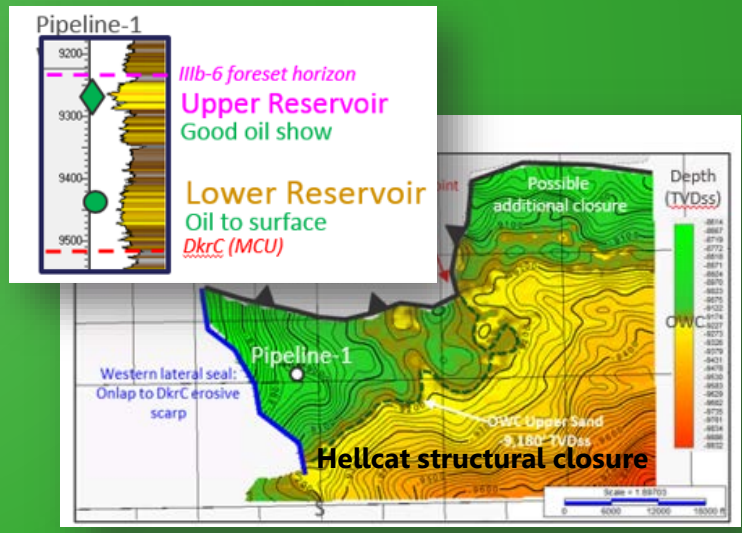
Hellcat

Location	Onshore within 5 miles of Trans Alaska Pipeline (TAPS)
Trap Style	Stratigraphic pinch-out to west with fault seal against toe thrust elsewhere
Reservoir	Deepwater toe of slope canyon-focused sediment fairway. Two reservoir intervals expected
Probability of Success	40% (excluding reservoir effectiveness risk)
Gross STOIIP, mmstb	85 – 314 – 1149 (Low – Best- High)
Net Prospective Resource (*), MMbbl	1 – 5 – 19 (Low – Best – High) *Represent Otto 10.8% WI
Development	Horizontal fracture stimulated completion tied into TAPS via short pipeline



Outstanding low-risk opportunity

- Substantially de-risked by Pipeline State-1 results
- Pipeline State-1 correlative sands demonstrated live oil to surface, and logs indicate presence of oil column
- Multi-reservoir potential



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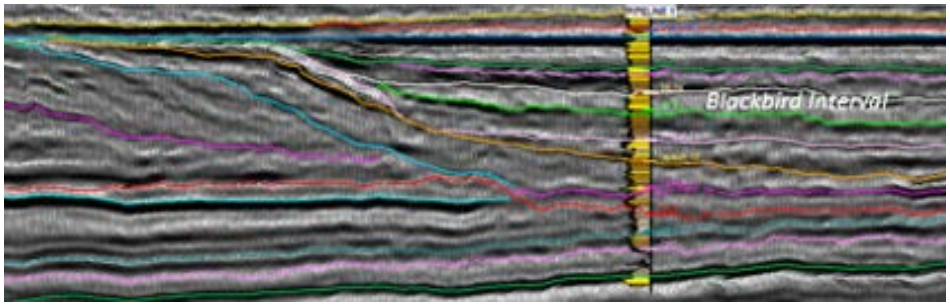
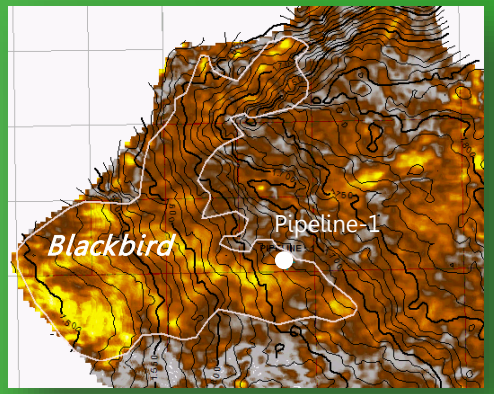
Blackbird

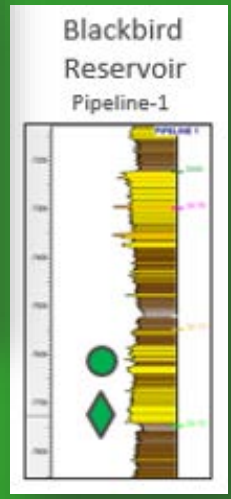
Location	Onshore within 5 miles of Trans Alaska Pipeline (TAPS)
Trap Style	Stratigraphic pinch-out up-dip to the north and west
Reservoir	Deepwater, lowstand fill of local shallow basin. Strong shows in Pipeline State-1
Probability of Success	24% (excluding reservoir effectiveness risk)
Gross STOIIP, mmstb	42 - 130 - 416 (Low – Best- High)
Net Prospective Resource (*), MMbbl	1 – 2 – 7 (Low – Best – High) *Represent Otto 10.8% WI
Development	Horizontal fracture stimulated completion tied into TAPS via short pipeline



Oil in mud at Blackbird interval

- Strong oil shows and oil in mud at correlative level in Pipeline St-1
- Well-developed turbidite sands
- Clear 3D seismic-supported stratigraphic pinchout





Free oil in mud and visible staining in Pipeline State-1.

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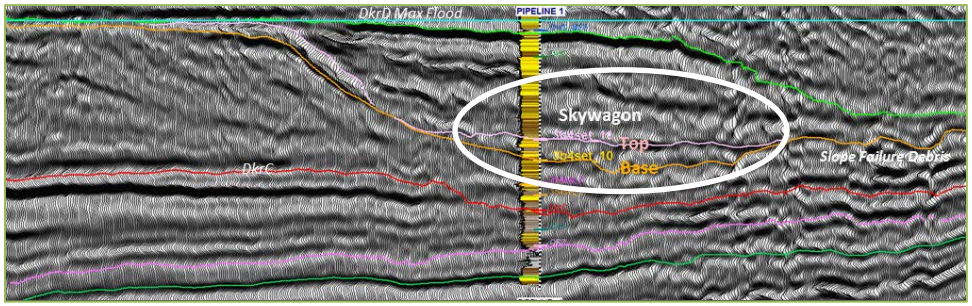
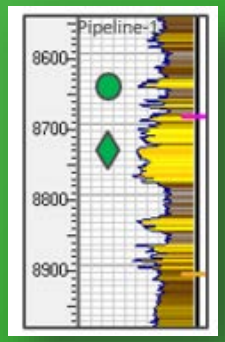
Skywagon

Location	Onshore within 5 miles of Trans Alaska Pipeline (TAPS)
Trap Style	Stratigraphic pinch-out up-slope to west with fault seal against toe thrust elsewhere
Reservoir	Deepwater slope apron and basin floor fan
Probability of Success	24% (excluding reservoir effectiveness risk)
Gross STOIIP, mmstb	84 - 265 - 839 (Low – Best- High)
Net Prospective Resource (*), MMbbl	1 – 4 – 14 (Low – Best- High) *Represent Otto 10.8% WI
Development	Horizontal fracture stimulated completion tied into TAPS via short pipeline



Demonstrated charge & reservoir

- Known oil charge (free oil observed in mud)
- Reservoir funnelled though multi-stage sand infill of collapsed slope
- Offset well control confirms presence of this reservoir sequence
- Reservoir observed to form a stratigraphic trap on 3D seismic



Over 100 feet of net sand were seen over 220 foot gross interval in Pipeline State-1 with strong oil shows.

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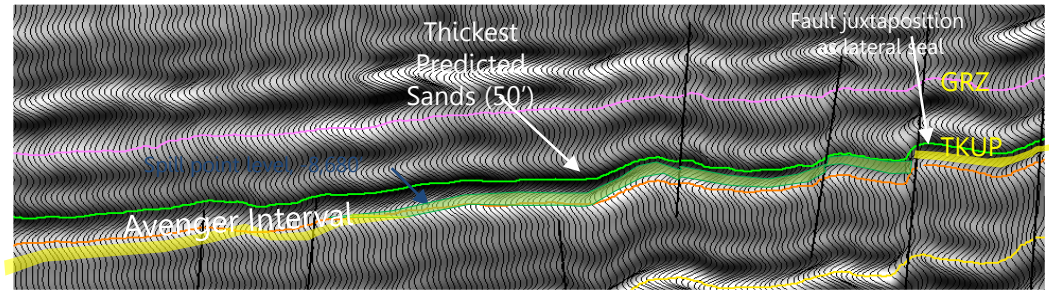
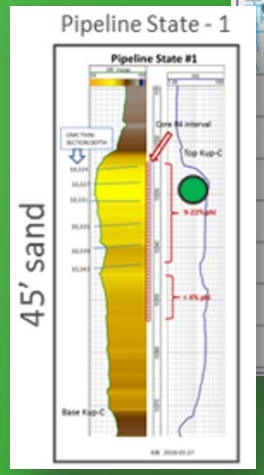
Avenger

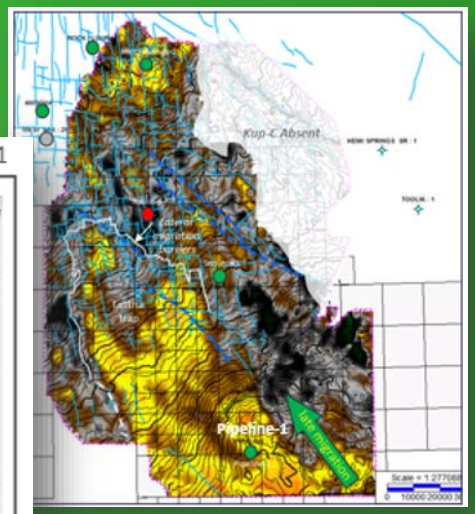
Location	Onshore within 15 miles of Trans Alaska Pipeline (TAPS)
Trap Style	Faulted monoclinally dipping sandstone reservoir thinning updip
Reservoir	Transgressive shallow marine sand seen to be oil bearing at Pipeline State-1
Probability of Success	23% (excluding reservoir effectiveness risk)
Gross STOIIP, MMbbl	133 – 432 - 1,512 (Low – Best - High)
Net Prospective Resource (*), MMbbl	2 – 7 – 24 (Low – Best – High) *Represent Otto 10.8% WI
Development	Horizontal fracture stimulated completion tied into TAPS via short pipeline



Proven oil at Kuparuk C level

- Major stratigraphic trap identified on seismic and supported by well control
- Potential for large volume upside





Yellow on seismic amplitude map indicates Avenger Kuparuk C sand and trap extent.

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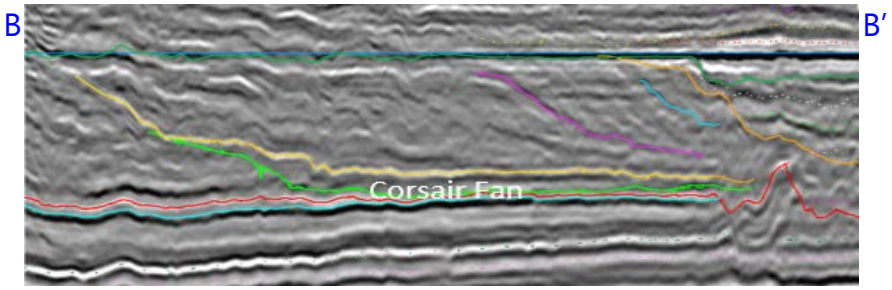
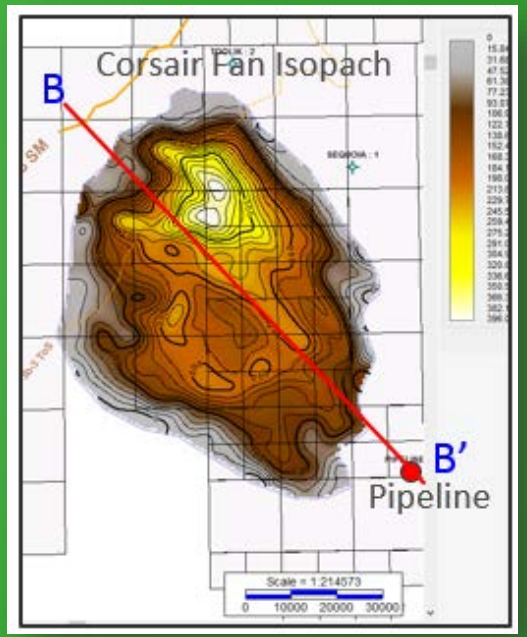
Corsair

Location	Onshore within 15 miles of Trans Alaska Pipeline (TAPS)
Trap Style	Stratigraphic pinch-out to the north and west, erosional truncation to the south and east
Reservoir	Deepwater, lowstand fill of basin at toe of slope
Probability of Success	10% (excluding reservoir effectiveness risk)
Gross STOIIP, mmstb	375 - 1440 - 5050 (Low – Best – High)
Net Prospective Resource (*), MMbbl	6 – 23 – 82 (Low – Best – High) *Represent Otto 10.8% WI
Development	Horizontal fracture stimulated completion tied into TAPS via short pipeline



Largest identified trap in portfolio

- Significant deepwater fan complex identified on 3D seismic
- Clear definition on seismic
- Potential for a giant oil field



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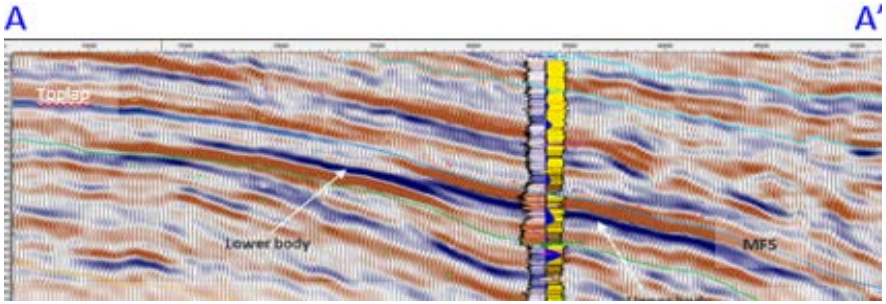
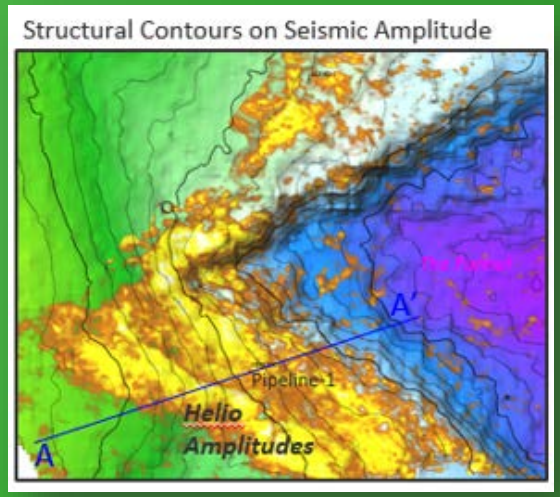
Helio

Location	Onshore within 5 miles of Trans Alaska Pipeline (TAPS)
Trap Style	Stratigraphic pinch-out onto edges of accommodation space
Reservoir	Shingling shallow marine sands.
Probability of Success	30% (excluding reservoir effectiveness risk)
Gross STOIIP, mmstb	116 – 328 – 957 (Low – Best – High)
Net Prospective Resource (*), MMbbl	2 – 5 – 16 (Low – Best – High) *Represent Otto 10.8% WI
Development	Horizontal fracture stimulated completion tied into TAPS via short pipeline



Previously untested stratigraphic interval

- Depositional geometry conducive to quality reservoir development
- Series of compensating lobes deposited during a regional sea level rise



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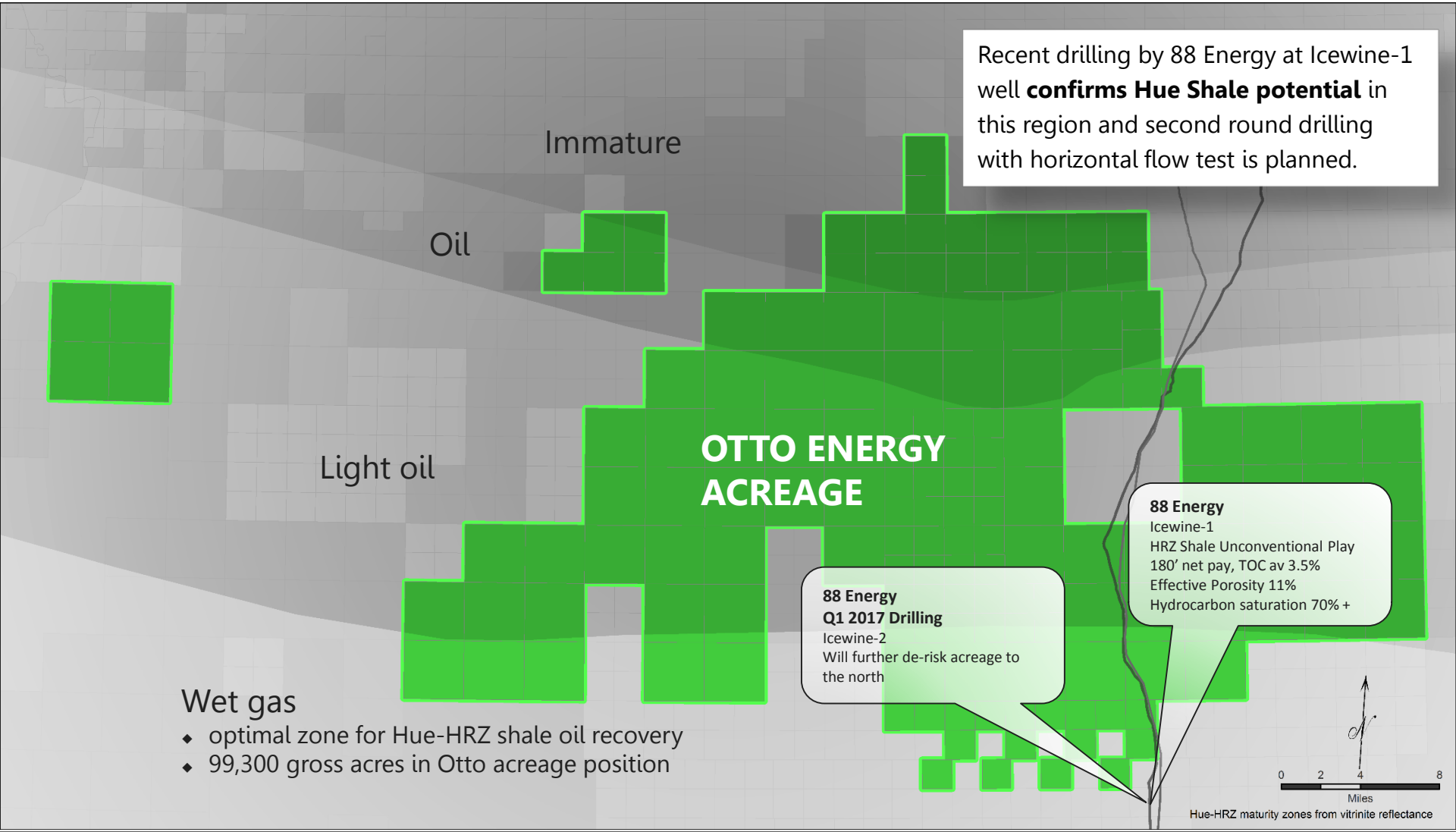
2017 Drilling Campaign Summary

- 3D seismic used to develop entire prospect portfolio
- 2-4 well locations identified based on 45 leads ultimately highgraded to 8 tier-1 prospects
- First Well – targeting 4 conventional play levels
- Second Well – targeting 2 conventional play levels

Unconventional Upside: Hue/HRZ

Optimal location for potential major shale play

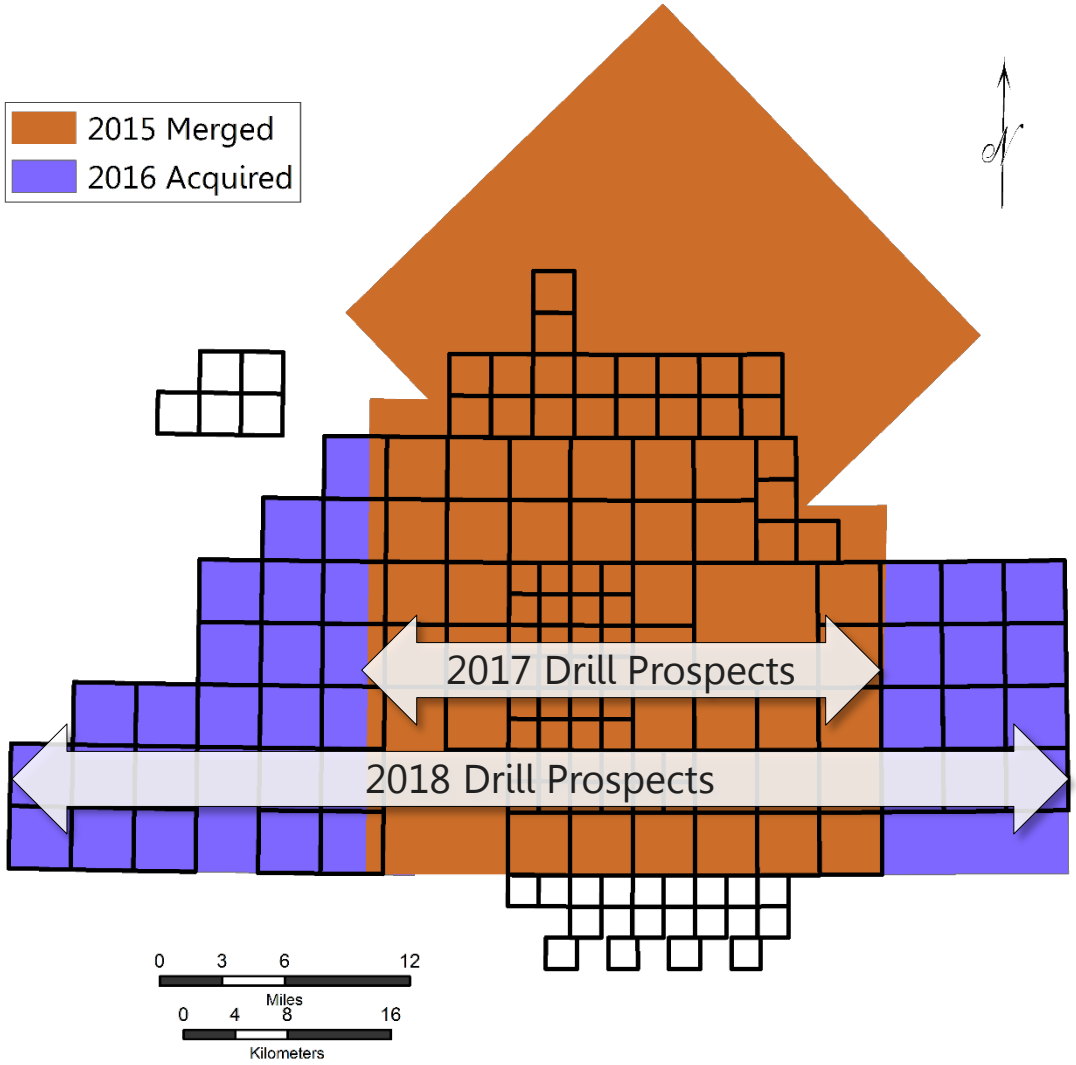


Forward Activity

Positioning for high-impact growth

- Significant multi-well drilling program in early 2017
- Recently completed high-quality 3D seismic to underpin 2018 drilling sequence

Acreage-wide 3D Seismic



2016 Seismic acquisition campaign completed

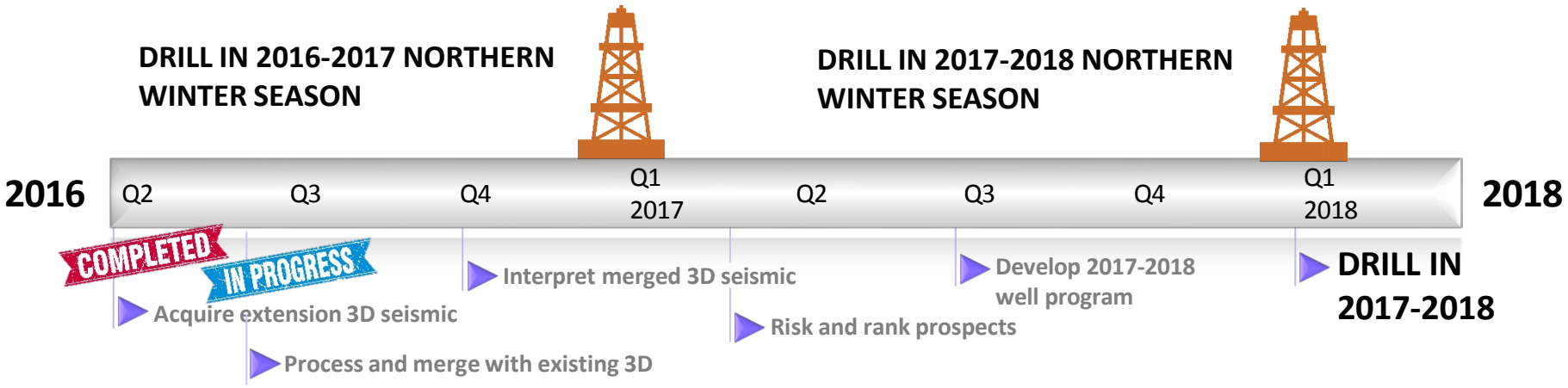
- Completed Q2 2016
- Otto fully carried on all 3D expenditure
- All 3D data to be seamlessly merged into one mega project

Acreage-wide 3D to:

1. Identify subtle stratigraphic targets as Repsol have successfully done to the north
2. Allow accurate placement of appraisal and development wells
3. Recently acquired data will be used to locate wells for the 2018 drilling season

Future Activity

Multi-well/Multi-year drilling program supported by extensive 3D seismic



- Focused strategy to drill 2-4 wells in 2016-2017 season
- Incorporate new seismic data into merged volume
- Develop 2017-18 drilling portfolio from merged seismic calibrated with 2016-17 drilling outcomes

Additional Information

Otto Energy Ltd

32 Delhi Street

West Perth

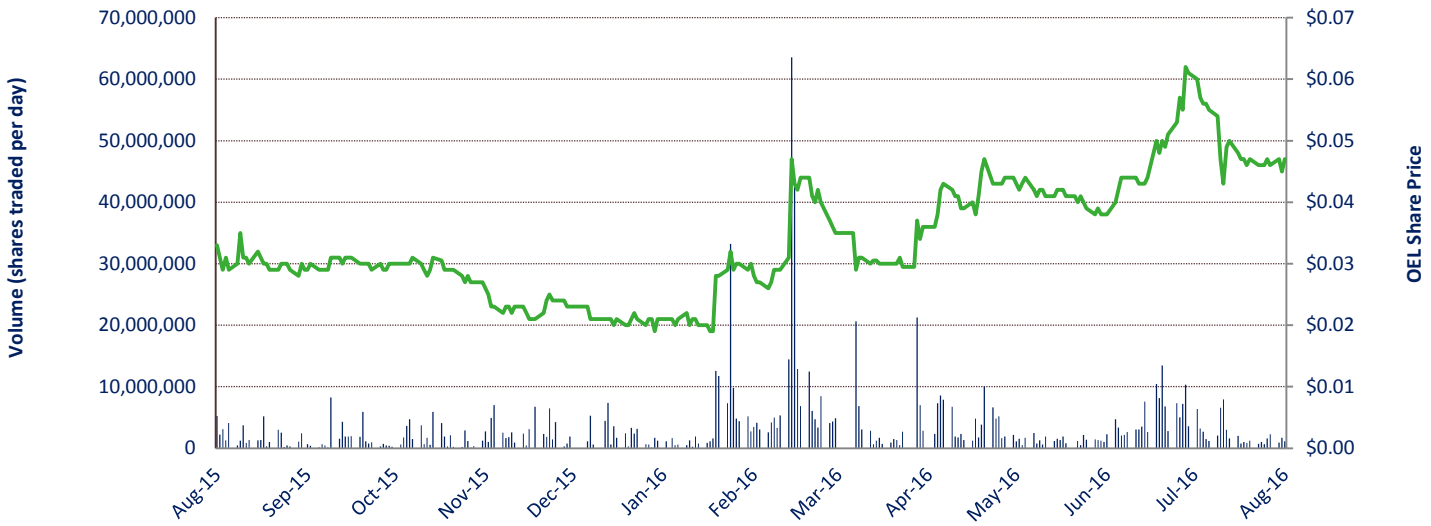
Western Australia 6005

Telephone: **+61 8 6467 8800**

Facsimile: **+61 8 6467 8801**

info@ottoenergy.com

Corporate Snapshot



Capital Structure	
Fully paid ordinary shares	1.181b
Unlisted options[1]	8.0m
Performance Rights	14.7m
Market capitalisation[2]	A$56m
Cash (June 2016)	US$20.3m
Debt (June 2016)	US$0m

Shareholders	
Molton Holdings	20.5%
Santo Holdings	20.5%
Directors & Management	2.2%
Shareholders	4,246

12 Month Turnover = 63.66% of issued capital
Average daily volume last 12 months = 2.912 million shares/day

1. Exercisable at 5.49 cents per share.
2. Undiluted at 4.8 cents per share as at 26 August 2016

Experienced Board & Management Team

Board of Directors

John Jetter – Non-Executive Chairman. LLB, BEc INSEAD
Former MD/CEO J.P. Morgan Germany. Non-Executive Director of Venture Minerals and Peak Resources Ltd.

Ian Boserio – Non-Executive Director. BSc (Hons)
Executive Technical Director of Pathfinder Energy Pty Ltd. Former executive positions with Shell & Woodside in exploration roles.

Ian Macliver – Non-Executive Director. BComm, FCA, SF Fin, FAICD
Managing Director Grange Consulting. Non-Executive Chairman of Western Areas.

Senior Management

Matthew Allen – Managing Director & CEO. BBus, FCA, FFin, GAICD
Global exposure to the upstream oil and gas industry with over 15 years experience in Asia, Africa, Australia and Middle East. Previous senior roles with Woodside over 9 year period.

Paul Senycia – Vice President, Exploration and New Ventures. BSc (Hons), MAppSc
International oil & gas experience gained over 30 years. Specific focus on Australia, South East Asia & Africa. Previous roles at Oilex (Exploration Manager), Woodside Energy (Head of Evaluation) and Shell International.

Craig Hasson – Chief Financial Officer. BCom, CA, AGIA
Chartered Accountant with over 12 years experience in resources in Australia, Europe and Africa. Previous roles at Cairn Energy, Dragon Mining, Resolute Mining and Ernst & Young.

Matthew Worner – Commercial Manager. BBus LLB
Commercial lawyer with experience in international oil and gas venture acquisitions, government and JV liaison and commercial transaction across Africa, Australia and Asia. Previous roles at Pura Vida, Rialto, Tap Oil, Steinepreis Paganin and Phillips Fox.

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This presentation contains forward looking statements that are subject to risk factors associated with oil and gas businesses. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially, including but not limited to: price fluctuations, actual demand, currency fluctuations, drilling and production results, reserve estimates, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory developments, economic and financial market conditions in various countries and regions, political risks, project delay or advancement, approvals and cost estimates.

The Company, its directors, officers and employees make no representation, warranty (express or implied), or assurance as to the completeness or accuracy of forward looking statements.

Competent Persons Statement

The information in this report that relates to oil and gas resources was compiled by technical employees of Great Bear Petroleum, the Operator of the Alaskan acreage, and subsequently reviewed by Mr Paul Senycia BSc (Hons) (Mining Engineering), MAppSc (Exploration Geophysics), who has consented to the inclusion of such information in this report in the form and context in which it appears. Mr Senycia is a full time employee of the Company, with more than 30 years relevant experience in the petroleum industry and is a member of The Society of Petroleum Engineers (SPE). The resources included in this report have been prepared using definitions and guidelines consistent with the 2007 Society of Petroleum Engineers (SPE)/World Petroleum Council (WPC)/American Association of Petroleum Geologists (AAPG)/Society of Petroleum Evaluation Engineers (SPEE) Petroleum Resources Management System (PRMS). The resources information included in this report are based on, and fairly represents, information and supporting documentation reviewed by Mr Senycia. Mr Senycia is qualified in accordance with the requirements of ASX Listing Rule 5.41 and consents to the inclusion of the information in this report of the matters based on this information in the form and context in which it appears.

Prospective Resources

Prospective resource estimates in this presentation are prepared as at July 2016. The resource estimates have been prepared using the internationally recognised Petroleum Resources Management System to define resource classification and volumes. The resource estimates are in accordance with the standard definitions set out by the Society of Petroleum Engineers, further information on which is available at www.spe.org. The estimates are unrisked and have not been adjusted for both an associated chance of discovery and a chance of development.

Prospective Resource Cautionary Statement

The estimated quantities of petroleum that may potentially be recoverable by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.